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ADMINISTRATION
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DEN
JACK D. SHANSTROM
HUBERT G. WHITE

STATE OF MONTANA
FORREST H. ANDERSON, GOVERNOR



ADMINISTRATIVE STAFF
JOHN F. SASEK, SECRETARY OF BOARD
MARIE O. KLEMMER, BENEFITS AND CLAIMS
LAWRENCE P. NACHTSHEIM, ADMIN. ASST.
MICHAEL J. HUGHES, ATTORNEY

STATE DOCUMENTS

JUL 12 1971

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

1712 NINTH AVENUE
TELEPHONE: AREA CODE 406/449-3154
HELENA, MONTANA 59601

October 30, 1970

Hon. Forrest H. Anderson
Governor of Montana
State Capitol
Helena, Montana 59601

Dear Governor Anderson:

The Board of Administration of the Public Employees' Retirement System, which is the designated state agency to report on the operations and proceedings of the Volunteer Firemen Pension Fund, herewith submits its sixth annual report in accordance with the provisions of Section 11-2029, Revised Codes of Montana, 1947.

We recommend that the administration of this fund be combined with its accounting and investments so that we can centralize responsibility and attain greater efficiency in conformity with the intention of your administration.

Respectfully submitted,

BOARD OF ADMINISTRATION

A handwritten signature in cursive script, appearing to read "John F. Sasek".
John F. Sasek, Secretary

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INTRODUCTION

The Volunteer Firemen's Compensation Act was originally enacted in 1935 to provide a medical and hospital insurance plan for injured members of the Volunteer Fire Departments in unincorporated towns of the State of Montana.

The original act was amended by the Thirty-ninth Legislative Assembly of 1965 to add a pension plan to the original medical and hospital insurance benefits. The pension is to be available to firemen who have served as volunteer firemen in unincorporated towns of Montana for at least twenty (20) years and only after the Volunteer Firemen's Compensation earmarked revenue account exceeds one million dollars (\$1,000,000.00). At its present rate of growth it is anticipated that pension benefits will not be available to any eligible retired volunteer fireman for approximately three (3) years or about July 1, 1973.

REVENUE

The revenue required to provide the benefits available to the volunteer firemen under the Volunteer Firemen's Compensation Act is obtained from a tax imposed on fire insurance written in the State of Montana and the interest derived from the investment of this income and the accumulated fund.

STATEMENT OF CONDITIONS VOLUNTEER FIREMEN'S COMPENSATION earmarked REVENUE ACCOUNT 222600

June 30, 1970

Cash Balance - June 30, 1969	\$ 16,631.69
Income:	
Interest	\$30,872.53
State Auditor	44,853.06
Cancelled Warrants	800.00
	<u>76,525.59</u>
	\$ 93,157.28
Disbursements:	
Insurance Payments	\$ 7,100.00
Bonds Purchased	67,328.63
	<u>\$ 74,428.63</u>
Ledger Balance - June 30, 1970	\$ 18,728.65

CASH RECONCILEMENT

Balance at State Controller, May 31, 1970 \$ 18,728.65

Cash Balance - Volunteer Firemen's Fund \$ 18,728.65

Cash Balance \$ 18,728.65

Investments:

<u>Type of Bond</u>	<u>Coupon</u>	<u>Maturity</u>	<u>Amount</u>
U. S. Bond	3 $\frac{1}{2}$ %	Due 11/15/80	\$85,000.00
U. S. Bond	3 $\frac{1}{2}$ %	Due 11/15/98	30,000.00
U. S. Bond	3 7/8%	Due 11/15/74	75,000.00
U. S. Bond	4 %	Due 8/15/71	50,000.00
U. S. Bond	3 7/8%	Due 11/15/71	39,000.00
U. S. Bond	4 %	Due 8/15/73	72,000.00
U. S. Bond	4 1/8%	Due 11/15/73	50,000.00
U. S. Bond	4 %	Due 2/15/70	23,000.00
U. S. Bond	5 2/8%	Due 2/15/71	59,000.00
U. S. Note	5 3/4%	Due 2/15/75	65,000.00
U. S. Note	5 5/8%	Due 8/15/74	90,000.00
U. S. Note	7 3/4%	Due 2/15/71	67,000.00
			\$705,000.00
Total Cash and Investments			\$723,728.65

Anticipated Revenue (July 1, 1970 to June 30, 1971)

State Auditor	\$47,000.00	
Interest	<u>35,502.33</u>	\$ 82,502.33
Less Insurance		
Payments		<u>8,000.00</u>
		\$793,000.00

MEMBERSHIP

Although there are approximately 95 volunteer fire departments reported to be functioning in Montana's unincorporated towns and cities, which may qualify under this pension plan, information regarding the eligible members of each volunteer fire department on a consistent annual reporting basis has been on a very erratic and unsatisfactory basis. Only those departments which have reported during the past fiscal year are reported without an asterisk (*) designation to indicate the departments which are certifying eligible service for their members annually.

<u>Volunteer Fire Department</u>	<u>Address</u>	<u>Membership</u>
1. Absarokee Volunteer	Absarokee	24
2. Alder	Alder	29*
3. Augusta	Augusta	28
4. Bad Rock	Columbia Falls	14*
5. Basin	Basin	26*
6. Belfry	Belfry	28*
7. Belgrade	Belgrade	13
8. Big Butte	Butte	25*
9. Bigfork	Bigfork	24
10. Boulevard	Butte	24
11. Box Elder	Box Elder	10*
12. Brady Rural	Brady	15*
13. Broadwater County Rural	Townsend	22
14. Centerville	Butte	29
15. Choteau Rural	Choteau	14*
16. Clancy	Clancy	27*
17. Coffee Creek	Coffee Creek	22*
18. Columbia Gardens	Butte	22*
19. Cooke City-Silver Gate	Cooke City	13
20. Corvallis Rural	Corvallis	11*
21. Craig	Craig	22*
22. Creston	Kalispell	10
23. East Butte	Butte	19
24. East Missoula	Missoula	23
25. Edgar	Edgar	15*
26. Elliston	Elliston	16
27. Evergreen	Kalispell	19
28. Ferndale	Bigfork	26*
29. Floral Park	Butte	18*
30. Florence Rural	Florence	24*
31. Frenchtown No. 1	Frenchtown	23*
32. Frenchtown No. 2	Frenchtown	7*

<u>Volunteer Fire Department</u>	<u>Address</u>	<u>Membership</u>
33. Galen	Galen	16
34. Gallatin Gateway	Gallatin Gateway	20*
35. Geraldine Rural	Geraldine	8
36. Harrison-Norris-Pony	Harrison	23*
37. Home Atherton	Butte	19
38. Hungry Horse	Hungry Horse	18*
39. Inverness	Inverness	15*
40. Jackson Rural	Jackson	15*
41. Jefferson City	Jefferson City	13*
42. Jocko Valley	Arlee	19
43. Kremlin	Kremlin	23*
44. Lewistown Rural	Lewistown	20*
45. McQueen	Butte	20
46. Madison Valley	Ennis	27*
47. Melrose	Melrose	18
48. Missoula Rural	Missoula	34
49. Montecarto	Polson	17
50. Musselshell Rural	Roundup	22*
51. North Havre	Havre	17*
52. Olney	Olney	9
53. Opportunity	Anaconda	16
54. Outlook Rural	Outlook	20*
55. Pablo	Pablo	13*
56. Park City	Park City	25*
57. Pendroy	Choteau	26*
58. Plevna Rural	Plevna	17
59. Power	Power	11
60. Race Track	Butte	34
61. Rocker	Butte	13
62. Ronan Rural	Ronan	18*
63. Rudyard	Rudyard	10*
64. St. Regis	St. Regis	30*
65. Sand Coulee	Sand Coulee	27*
66. Savage	Savage	24*
67. Shepard Volunteer	Shepard	28
68. Sheridan Rural	Sheridan	29
69. Simms Volunteer	Simms	23
70. Somers	Somers	21
71. Stockett	Stockett	24
72. Sun River	Sun River	12
73. Swan Lake	Swan Lake	19
74. Three Forks Rural	Three Forks	13*
75. Ulm	Ulm	21*

<u>Volunteer Fire Department</u>	<u>Address</u>	<u>Membership</u>
76. Vaughn Community	Vaughn	19*
77. Victor	Victor	27
78. Warm Springs	Warm Springs	24
79. West Helena Valley	Helena	26
80. Wisdom	Wisdom	<u>10</u>
Total Membership		1,595

*No Reports for Fiscal 1969-70

